



National Park Service Primer on the Construction of Ferry Boats and Ferry Terminal Facilities Program (FBP)



Fort Sumter National Monument
Source: National Park Service

Agreement No. P12PG70503
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Definitions

The following terms are used in this report:

BTS	Bureau of Transportation Statistics
DOT	Department of Transportation
FBD	Ferry Boat Discretionary Program
FBP	Construction of Ferry Boats and Ferry Terminal Facilities Program
FHWA	Federal Highway Administration
MAP-21	Moving Ahead for Progress in the 21 st Century
NCFO	National Census of Ferry Operators
NPS	National Park Service

Introduction

Many National Park Service (NPS) units are located on islands which are primarily accessed by vehicle or passenger ferry. These ferries provide a vital transportation link for staff and visitors to get to the parks, and allow for food and other essential cargo transportation. Some of these ferries are owned and operated by the National Park Service and others are operated by approved concessioners.

The Construction of Ferry Boats and Ferry Terminal Facilities Program (FBP) is a Federal Highway Administration (FHWA) program that funds ferry services. Ferry operators and public entities may use FBP funds for construction of ferry boats, construction of ferry terminal facilities, and capital costs of leasing boats or facilities. The National Park Service is eligible to use FBP funding to build or acquire new, more efficient ferry boats and terminals and to improve existing ferry services already serving the parks.

FBP funds are allocated to specific ferry services based on the National Census of Ferry Operators (NCFO)¹ conducted by the Bureau of Transportation Statistics (BTS) and on reviews by FHWA Division Offices and state Departments of Transportation (DOTs). FBP funding is administered through the state DOTs, which are responsible for ensuring that all federal-aid highway program and state requirements are met. NPS base funds and Federal Lands Transportation Program (FLTP) funds can be used as part of the required 20 percent local match needed to secure FBP funding.

Background and Funding

FBP was introduced in 2012 by the Moving Ahead for Progress in the 21st Century (MAP-21). FBP replaced the Ferry Boat Discretionary Program (FBD), which had been in place since 1991. Funds authorized under the FBD had been designated for specific ferry boat and service construction and improvement projects designated by Congress or FHWA. Unlike the prior program, FBP is no longer a discretionary program, and it does not include set-asides for specific states.

\$134 million was authorized for FBP under MAP-21 (\$67 million for each of 2013 and 2014). Funds were allocated to specific ferry services based on a formula that considered three factors:

- Annual route miles served
- Annual passengers carried
- Annual vehicles carried

The federal share for a typical FBP project is 80 percent for a project in any state or Puerto Rico, with a 20 percent local match. NPS Park Base Operations funds and FLTP funds are eligible to count towards the local match for FBP projects. Projects in U.S. territories are eligible for a 100 percent federal share.

MAP-21 is set to expire in February 2015. Therefore future funding for the FBP is uncertain at this time.

¹ BTS NCFO. http://www.rita.dot.gov/bts/sites/rita.dot.gov/bts/files/subject_areas/ncfo/index.html

Key Findings:

- The FBP is an important funding source to consider for NPS ferry service funding
- FBP funds can be used for both new and existing ferry boat and ferry terminal facility projects, including capital, construction, and engineering costs
- FBP funds are designated for operators listed in the NCFO; NPS units should ensure appropriate ferry services are included in the most up-to-date ferry census to ensure funding eligibility
- NPS units should engage with state DOTs to identify potential projects and access FBP funds
- Funds not obligated by August 1 will be withdrawn and redistributed to other ferry services
- NPS base funds and FLTP funds may be used as part of the required 20 percent local match needed to secure FBP funding

System Eligibility Requirements

The term “ferry” includes water transportation boats and associated facilities that meet certain location, operation, and ownership criteria (detailed below). Boats and facilities constructed for the purpose of dinner cruises, tours, sightseeing, or entertainment excursions are not eligible for FBP funding.

Preliminary eligibility for FBP was based on the 2010 NCFO² and on reviews by FHWA Division Offices and state DOTs. New or revised services may be added as part of biennial updates to the NCFO (the 2014 NCFO update was underway as of November 2014). New services added to the NCFO during the course of a federal fiscal year may not be eligible for funding until October 1 of the following fiscal year.

There are several basic eligibility criteria that must be satisfied for a ferry service or terminal to be considered eligible for FBP funding:

Location

- **Passenger-only ferries must operate on a fixed route.**
- **Vehicle ferries must service a public road and operate on a fixed route, but cannot be on the Interstate System.**
- **Ferry services may not operate outside of U.S. waters.** Certain exceptions apply for ferry services serving Hawaii, Alaska, Puerto Rico, U.S. territories, and services operating between the U.S. and Canada.
- **It must not be feasible to build a bridge, tunnel, or other highway structure in lieu of the ferry.**

Operations and Fares

- **The operating authority for the ferry must be under the control of the National Park Service, state, or another public entity.** If a route is operated by a private entity, the National Park Service must have a contract, permit, or other agreement (such as a concessioner agreement) in place which demonstrates the private entity is authorized to provide the service.
- **The fares charged for the ferry must be under the control of the National Park Service, state, or another public entity.** All revenues derived from the ferry service must be applied to actual and necessary costs of service, maintenance and repair, debt service, negotiated management fees, and, in the case of a privately operated ferry, for a reasonable rate of return. Fares, tolls, or any other fees, if charged, must be reviewed and approved regularly by the National Park Service or another public entity.

² BTS NCFO. http://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/subject_areas/ncfo/index.html

Ownership

The ferry boat or ferry terminal that will be improved with FBP funds must be one of the following:

- **Publicly owned**, where the title for the boat or terminal is vested in a federal, state, county, town or township, Indian tribe, municipal, or other government instrumentality
- OR
- **Publicly operated**, where a public entity operates the boat or terminal, either with public employees or by paying others to do so, even though the boat or terminal may be privately owned
- OR
- **Majority publicly owned**, where more than 50 percent of the ownership is vested in a public entity and where substantial public benefits of the ferry service are documented.³

Eligible Projects

FBP funding can be used for the purchase, lease, or construction of new ferries and facilities, as well as construction and preventative maintenance activities for existing ferries and facilities. FBP funding cannot be used for operational costs of a ferry or facility, including crews, general maintenance, and fuel.

Ferry Boat Project Examples

A ferry project is anything that relates to a boat that transports pedestrians or automobiles. Some examples of relevant project categories include:

- **Construction of a new ferry boat**
- **Cost-effective maintenance activities that extend the useful life of an existing ferry boat**
- **Engineering and design services relating to the construction or preventative maintenance of a ferry boat**
- **Capital costs of leasing of a ferry boat**

Ferry Terminal Facility Project Examples

A ferry terminal facility includes the structures and amenities that directly serve the ferry boat service. These include passenger parking, ticketing, and waiting areas, boarding and disembarking facilities, docks, slips, and shore improvements necessary for docking, administrative space specifically for on-site ferry administration and boat crew, and ferry boat maintenance facilities. They do not include approach roads to ferry terminal facilities. Some examples of relevant project categories include:

- **Construction of a new ferry terminal**
- **Reconstruction, restoration, rehabilitation, or preservation of an existing ferry terminal**
- **Engineering, architectural, or design services relating to the construction or reconstruction of a ferry terminal**
- **Acquisition of rights-of-way for a new ferry terminal**
- **Improvements to a ferry terminal that directly facilitate and control traffic flow**

³The ownership test is applied to the specific boat or facility being improved. For example, if a ferry service has privately owned and operated boats but the terminal is publicly owned, FBP funds could be used for improvements to the ferry terminal but could not be used for improvements to the ferry boats.

If the facility is a mixed-use facility, funding may only be used for portion of the facility or ferry receiving the funding. As an example, if funding is provided to a park facility that includes a visitor center and a ferry terminal, the funding may only be used for the ferry terminal portion of the facility because it is directly attributable to the ferry purpose.

Use of Funds

FBP funds are allocated to specific ferry services based on the NCFO and on reviews by FHWA Division Offices and state DOTs, and amounts are determined based on formula criteria. The funds may only be used by the specified ferry service and in the amount identified.⁴ Funds may not be transferred among operators. If a ferry operates between more than one state, the ferry service may elect to transfer funds to the appropriate state to implement an eligible project on the ferry service. Any balance of funds not obligated by the end of the fiscal year will be withdrawn in August and the obligation authority redistributed to other eligible ferry services for use during the following fiscal year.

FBP funds are not initially designated for any specific purchase or project. Instead, ferry services work with the applicable state DOT(s) to develop projects, which must meet all federal-aid program requirements. Funding will be provided to eligible ferry operators through the state DOT(s), which will then be reimbursed by FHWA (Note that FBP funding can only be used to pay for costs incurred *after* FHWA has authorized the work to proceed). If any phase of the project, such as preliminary engineering or construction work, is required before receiving FBP funding, the state DOT must receive prior authorization from FHWA to allow for reimbursement of the federal share of incurred costs.

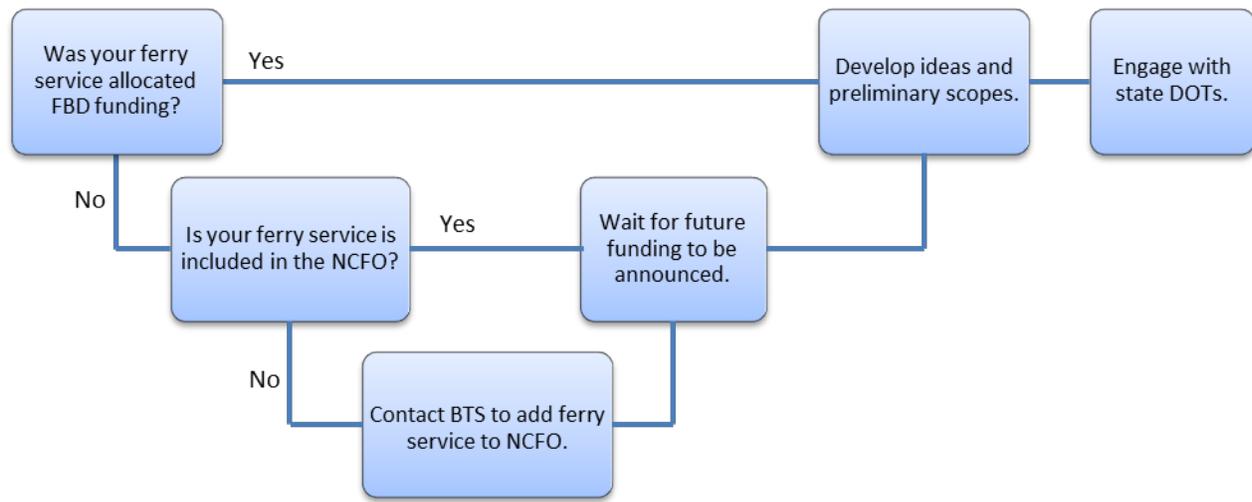
If FBP funds have been used to improve a ferry boat or facility, the National Park Service will need approval from FHWA before selling, leasing, or otherwise disposing of the ferry or facility.

Engagement

Park units and regions that wish to use FBP funding should engage with their regional transportation coordinator, Jim Evans in the NPS Transportation Branch, and their appropriate state DOT to develop eligible projects. If a concessioner service receives an allocation, they should work with the appropriate park unit to develop a project that meets all requirements prior to engaging the state DOT. When requesting access to funding, the state DOTs will work with the appropriate FHWA Division Office to confirm that they have reviewed the ferry service and have determined that the operator and the route meet eligibility requirements. When a project is ready to be obligated, the FHWA Division Office will submit an allocation request to the FHWA Office of Program Administration to make the funds available. Figure 1 illustrates the next steps for park units and regions that wish to use FBP funds. Additional details of the process are included after the flow chart.

⁴ FBP 2014 Distribution. <http://www.fhwa.dot.gov/specialfunding/fbp/2014memo.cfm>

Figure 1
Engagement Next Steps



Park units and regions that wish to use FBP funding should first check the [FY14 FBP Distribution](#) to determine if their service was allocated funding in the previous fiscal year.

If a ferry service *was* allocated funding in the FY14 FBP:

- **Develop ideas and preliminary scopes for eligible projects.**
 - Contact Jim Evans in the NPS Transportation Branch and your regional transportation coordinator for support in developing projects.
- **Engage with your state DOT to develop and submit appropriate projects to FHWA.**
 - FHWA will determine if the project is eligible, and if approved, will make FBP funds available for use.
- **Seek to build long-term, collaborative relationships with neighboring cities, counties, and towns** that may lead to joint project proposals and open other funding sources which could be used for the local match or to address needs beyond the FBP allocation.

If a ferry service *was not* allocated funding in the FY14 FBP:

- **Check to see if the ferry service is included in the NCFO.**
 - Appendix A – NPS Ferry Services, below, includes a list of public, concession, and private ferry services which serve NPS units.
- **If an NPS ferry service is not included on this list, check the most recent census on the [NCFO website](#).**
 - If an NPS ferry service is not listed in the NCFO, contact BTS to request that it be added to the next update. Phone: (800) 853-1351, or email: ferry@dot.gov.

When the FBP allocations are announced for FY15:

- **Check the [FHWA FBP Web Page](#) for announcements of future FBP allocations to determine funding allocations for NPS ferry services.**
- **Work with your regional transportation coordinator, state DOTs, and FHWA to develop and approve projects to maximize the use of all allocations available to NPS.**
- **Continue to seek to engage with local cities, counties, and towns** that may to develop joint project proposals and open other funding sources which could be used for the local match or to address needs beyond the FBP allocation.

Resources

[FHWA FBP Web Page](#) - This website is the homepage for the FHWA FBP.

[FHWA FBP Primer](#) - This document provides detailed information on FBP eligibility, funding, and development of projects for the FBP.

[FHWA FBP Fact Sheet](#) - This document provides basics FBP facts.

[FHWA FBP 2014 Distribution Memo](#) - This memo announces the allocation of FY14 FBP funds.

[FHWA FBP 2014 Distribution](#) - This table shows the FY14 allocation to each eligible ferry service.

[FHWA FBP 2013 Distribution Memo](#) - This memo announces the allocation of FY13 FBP funds.

[FHWA FBP 2013 Distribution](#) - This table shows the FY13 allocation to each eligible ferry service.

[BTS NCFO](#) - This website is the homepage for the National Census of Ferry Operators and provides access to the NCFO data tables.

[FHWA FBD](#) - This website provides information on the discontinued Ferry Boat Discretionary Program.

Appendix A – NPS Ferry Services

An initial list of ferry operators serving national parks was compiled based on investigating each ferry route in the 2010 NCFO to determine if the route serves a park unit. Additional ferry services were then added to this list based upon the NPS Transit Inventory⁵ and the NPS List of Authorized Concessioners.⁶ Note that only operators which provide ferry⁷ services were added to this list; tour and cruise operations were not included, per FBP eligibility requirements. This list was then compared to the 2013 and 2014 FBP funding distribution lists to determine which operators are currently receiving FBP funding allocations (shown below in Tables 1-3).

Table 1 shows publicly-operated ferries (NPS, state, and local government) which serve NPS units. Because these ferry services are publicly operated, they are eligible to receive FBP funding. Note that although these ferry services have connections to NPS units, many of them serve other areas as well. The overall funding amounts allocated to these operators would not necessarily be used on the transit routes that serve the park units. Boardings are shown for NPS-owned services only.

Table 1
Publicly-Operated Ferries Serving National Park Units and Nearby Areas

Sources: 2010 NCFO, FHWA FBP FY14 Distribution, 2013 NPS Transit Inventory, Volpe Center Analysis

Operator	Park Connection	Operator Type	FY14 FBP Funding (in thousands of dollars)	FY13 Boardings
State of Maine	ACAD	State	\$352	n/a
Alaska Marine Highway System	Alaska Region	State	\$17,858	n/a
North Carolina DOT	CAHA/CALO	State	\$1,485	n/a
National Park Service (Fort Matanzas)	FOMA	NPS	\$16	131,284
San Francisco Bay Ferry WETA	GOGA	Other Public	\$452	n/a
National Park Service (Isle Royale)	ISRO	NPS	\$237	1,567
Colville Confederated Tribes (Inchelium-Gifford Ferry)	LARO	Other Public	\$253	n/a
Kentucky DOT/National Park Service (Mammoth Cave)	MACA	State & NPS	\$115	330,718 (FY12)
Washington State Ferries	SAJH	State	\$14,108	n/a
Warren County Road Department	VICK	Other Public	\$30	n/a

⁵ http://www.nps.gov/transportation/alternative_transportation.html

⁶ <http://www.nps.gov/commercialservices/concessioners.htm>

⁷ The term “ferry” includes boats and associated dock/terminal facilities.

Table 2 shows concessioner-operated ferries serving national park units which received FBP funding in FY14. Because these concessioner-operated ferries are regulated by a public entity (National Park Service), they may be eligible to receive FBP funding for improvements to any publicly-owned infrastructure used by the operator (e.g., an NPS-owned dock).

Table 2
Concession-Operated Ferries Serving National Park Units

Sources: 2010 NCFO, FHWA FBP FY14 Distribution, 2013 NPS Transit Inventory, Volpe Center Analysis

Operator	Park Connection	Operator Type	FY14 FBP Funding (in thousands of dollars)	FY13 Boardings
Alcatraz Cruise Services	ALCA	Concession	-	3,055,784
Apostle Islands Cruises Inc.	APIS	Concession	-	28,820
Cape Lookout Cabins and Camps Ferry Service	CALO	Authorized Ferry Service ⁸	\$66	n/a
Davis Shore Ferry Service	CALO	Authorized Ferry Service ⁸	-	n/a
Morris Marina Ferry Service	CALO	Authorized Ferry Service ⁸	-	n/a
Island Express Ferry Service	CALO	Concession	-	n/a
Rudy Austin Boat Tours	CALO	Authorized Ferry Service ⁸	-	n/a
Island Packers Corp.	CHIS	Concession	\$143	63,614
Cumberland Island National Seashore & Ferry	CUIS	Concession	\$38	73,673 (FY12)
Yankee Roamer Inc.	DRTO	Concession	-	38,399 (FY12)
Davis Park Ferry Co.	FIIS	Concession	\$21	21,000
Fire Island Ferries Inc.	FIIS	Concession	\$125	n/a
Sayville Ferry Service Inc.	FIIS	Concession	\$48	43,000
Fort Sumter Tours/Spiritline Cruises	FOSU	Concession	\$90	614,138
Aramark	GLCA	Concession	\$39	5,210
Pan Isles Inc.	GUIS	Concession	\$0	80,100
The Isle Royale Line	ISRO	Concession	\$176	9,984
Grand Portage – Isle Royale Transportation Line Inc.	ISRO	Concession	\$156	8,094
Akers Ferry Canoe Rental (Akers Ferry)	OZAR	Concession	\$0.2	n/a
Manitou Island Transit	SLBE	Concession	\$40	10,839
Statue Cruises	STLI	Concession	\$1,162	7,859,051 (FY12)

⁸ Although these ferry operators do not appear on the NPS Authorized Concessioners list, they appear on the CALO List of Authorized Ferry Services. <http://www.nps.gov/caloplanyourvisit/ferry.htm>

Table 3 shows which privately-operated ferries serve national parks or nearby areas and if they received FBP funding. These operators do not have agreements in place with the National Park Service, but the ferry routes provide vital transportation links to the parks and nearby areas. Information about boardings was not available for the majority of ferries in this category.

Table 3
Privately-Operated Ferries Serving Areas Nearby National Park Units

Sources: 2010 NCFO, FHWA FBP FY14 Distribution, 2013 NPS Transit Inventory, Volpe Center Analysis

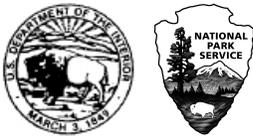
Operator	Park Connection	FY14 FBP Funding (in thousands of dollars)	2013 Boardings
Isle Au Haut Boat Services	ACAD	-	n/a
Beal and Bunker Inc.	ACAD	-	n/a
Downeast Windjammer Cruises and Ferries	ACAD	-	n/a
Boston Harbor Cruises LLC	BOHA	-	213,678
Bay State Cruise Company	CACO	-	n/a
Capt. John Boats Inc.	CACO	-	n/a
Cape Pointe Marina Capt. Bo Anderson	CALO	-	n/a
Local Yokel Ferry and Tours	CALO	-	n/a
Outer Banks Ferry Service	CALO	-	n/a
Harbor Boating Inc.	FOMC	-	n/a
SeaStreak LLC	GATE	\$127	n/a
Blue and Gold Fleet	GOGA	-	n/a
Lake Chelan Boat Company	NOCA	\$162	n/a
Black Ball Transport Inc.	OLYM	-	n/a
Miller Boat Line Inc.	PEVI	\$512	n/a
Middle Bass Ferry (Sunny-S Boat Line Inc.)	PEVI	\$3	n/a
Jet Express	PEVI	\$206	n/a
Grand Island Ferry Service	PIRO	\$4	n/a
Puget Sound Express Inc.	SAJH	-	n/a
Clipper Navigation Inc.	SAJH	-	n/a
Transportation Services of St. John Inc.	VIIS	-	n/a
Varlack Ventures Inc.	VIIS	-	n/a
Inter-Island Boat Services Inc.	VIIS	-	n/a
Boyson Inc.	VIIS	-	n/a

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